Prior Authorization VSM Team Charter

Process/Team Name:	MaineCare Prior Authorization Unit	
Sponsor: Brenda McCormick	**Phone:** 7-1774	**Email:** see global email
VSM Manager: Julie Tosswill	**Phone:** 7-1773	**Email:**
Team Members: All PA Unit staff	**Phone:** attached	**Email:**
Data Manager:	**Phone:**	**Email:**
Caucus Members:	**Phone:**	**Email:**
Facilitators: Terry Sandusky Ann O'Brien	**Phone:** 493-4104 287-4259	**Email:** Terry.sandusky@maine.gov Ann.obrien@maine.gov

Process Description: Each year, the MaineCare Authorization Unit processes over 18,000 requests for prior authorization (PA) of certain services and durable medical equipment and supplies, in accordance with rules in the MaineCare Benefits Manual. A health care provider must submit to the Unit the request for PA on behalf of a member; this includes documentation establishing medical necessity. A request is typically approved, denied or deferred. Approved requests are issued a PA number, which must be put on the provider's claim form in order to receive payment.

All documents must be maintained for 7 years.

Customer/Clients:
MaineCare providers and members. Internal OMS customers include Claims unit and Customer Service unit.

Supplier: **(upstream)** Provider submissions of prior approval applications

Process Boundaries: First Step: PA request received via FAX, mail or phone (followed-up in writing).	Last Step: Decision letter (indicates approval, denial or deferral) is sent to provider and member.

Problem Statement: The 30-day turnaround time for PA requests need to reduce from current process times so as to approach commercial industry standards for prior authorization. There are no time benchmarks for reviewing requests according to service type. Better management of a large volume of provider telephone calls regarding status of requests is needed.

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Measurement Targets:	Specific Measurements:	Timeframe:
1. Reduce process lead time	1. Reduce the average length of time for approving a PA.	60 days
2. Simplify process flow.	2. Reduce the number of process steps per service type.	60 days
3. Reduce re-work	3. Increase number of decisions approved or denied.	90 days
4. Reduced staff process time	4. Staff time	60 days
5. Reduce associated costs	5. Cost staff time	60 days

Resources Available:
Facilitators: Terry and Ann
Support: The VSM Team and process work will be completed with existing human resources.

Role Expectations: (Note expectations around decision-making and implementation)

VSM Sponsors: The Sponsors have primary oversight responsibility for the process team and process project, for enabling implementation of the change/action plan, and for removing barriers to change, as well as assuring coordination with larger organizational goals, including meeting employee needs and demands.
VSM Managers: The Managers have overall operational and program responsibility for the process team, project, and implementation activities. This includes enabling and tracking progress of change activities, facilitating forward movement, enabling consensus decision-making, and assuring the implementation of the change/action plan.

VSM Team Deliverables

Measurement Targets: Expected Deliverables:	Specific Measurements:	Timeframe:
1. Facilitate a team to analyze and produce a current process state map.	1. Current State Map.	1. Completed May 31, 2007
2. Facilitate team analysis of current state to identify process improvements to produce future state map.	2. Future State Map.	2. Completed June 19, 2007
3. Facilitate team development of an action/change plan to	3. Production of Implementation Plan	3. Completed June 19, 2007

implement identified improvements.		
4. Facilitate follow-up session(s) within 90 days	4. Status of updates, reports. Identify barriers to improvement.	4. Dates Need To Be Set
Project Deliverables:		
1. Assure implementation of the VSM plan.	1.a. Assigned responsibilities for implementation activities.	Dates and Actions Need to be Set
	1.b. Management/monitoring & Follow-up plan and process in place.	
	1.c. Future State fully implemented.	
2. Evaluate effectiveness of future state changes to assure efficiency, effectiveness, and quality & to identify needed areas of improvement.	2. Analysis of customer and program/ process outcomes tracked and reported.	
3. Implement a streamlined PA approval process to reduce approvals to less than 20 days.	3. New updated written process with identified time benchmarks	
4. Assure that all PA staff by service type understand what is required to implement the new approval process.	4.a, Written process developed, published, and available/accessible to all staff.	
	4.b. Training developed for implementation.	
5. Telephone Kaizan	5. Telephone Management Plan	

VSM Process Charter

Definitions, Descriptions, and Examples

(Refer to the Charter template following these definitions)

Process Name: A brief name for the process for which the VSM is being conducted. The charter describes the specific process and work that the team is about to address.

VSM Process Team:

VSM Sponsor: Name, Title, Phone, and E-mail with overall responsibility for the VSM and its implementation.

VSM Manager: Name, Title, Phone, and E-mail of the person responsible for managing the implementation of the VSM, as well as a brief outline of their authority,

VSM Data Manager: Name, Title, Phone, and E-mail of the person who will be responsible for assisting the other team members to calculate the VSM measurements.

VSM Team Members: Names, Titles, Phones and E-mails of all of VSM Team members – the staff who actually do the work.

VSM Caucus Group members: Names, Titles, Phones, and E-mails of resource staff who can be called for specific expertise or other support as needed.

Process Description: In a sentence or two, a description of the process being proposed for improvement.

Customer(s): Who is the customer(s) of this process? Identify customers both internal and external to the process itself.

Supplier: The internal and/or external persons/entities that provide information, documents, supplies, people, etc. for the process.

Boundaries of this VSM Process: Define where this process begins and ends for the purposes of this VSM. Be specific.

Problem Statement: Why do you want to change this process? What do you want to change, improve, or create?